GORDON

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October 2, 2007

Ref: 2976-25107

Honorable James H. Welsh Commissioner of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re:

Hearing Application
Bourg Sand, Reservoir B

HOUMA FIELD

Terrebonne Parish, Louisiana Applicant: Castex Energy, Inc.

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Castex Energy**, **Inc.** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Bourg Sand, Reservoir B, Houma Field, Terrebonne Parish, Louisiana

- To create a single drilling and production unit of approximately 99 acres each for the Bourg Sand, Reservoir B, designated as the Bourg RB SUA, Houma Field, Terrebonne Parish, Louisiana, all as shown more particularly on the attached plat;
- 2. To establish rules and regulations governing the exploration for and production of gas and condensate from the said unit;
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
- 4. To designate a unit operator and unit will for the unit created herein;

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5. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The Bourg Sand, Reservoir B, in the Houma Field is hereby defined as being that gas and condensate bearing sand encountered between the measured depths of 14,741 feet and 14,937 feet (electrical log measurements) in the Castex Energy, Inc.-Agness Toups Investment Corp. No. 1 Well, in Section 9, Township 17 South, Range 17 East, Terrebonne Parish, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a preapplication conference was held in Lafayette, Louisiana on September 17, 2007. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. Bill Dale of W. H. Robbins & Associates presented the plan of applicant. Questions were asked and answered. Mr. David Comeaux on behalf of the Gaidry Family, et al presented a counterplan of ± 133 acres. The parties were able to reconcile their differences and attached is a revised plat. There will be no opposition at the public hearing on this matter.

Attached hereto and made a part hereof is a revised plat outlining the Bourg RB SUA, Houma Field, Terrebonne Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this hearing application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request. Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Bill Dale of W. H. Robbins & Associates, Inc., 302 La Rue France, Suite 100, Lafayette, La 70508 (337) 232-5004.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

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BJD/ht

Attachments

cc: Mr. Richard Hudson

District Manager, Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

